

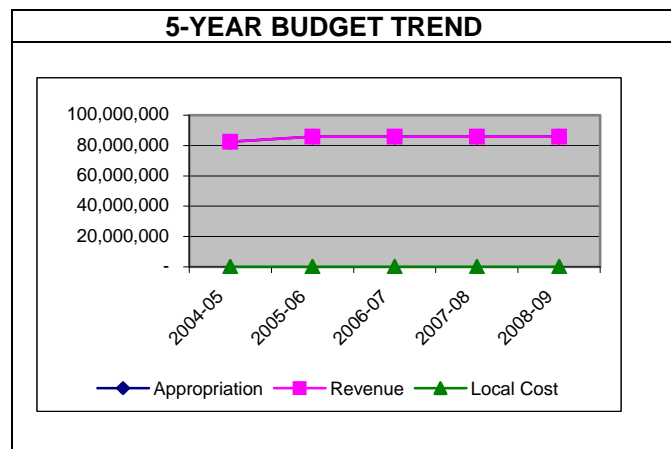
Entitlement Payments (Childcare)

DESCRIPTION OF MAJOR SERVICES

All childcare programs administered by the Transitional Assistance Department (TAD) are budgeted within this unit. This expanded program is one of the major programs of federal welfare reform and the resulting state CalWORKs program. The expanded programs are intended to fund childcare for CalWORKs recipients who are seeking employment or have obtained employment and continue through employment stabilization for a period of up to two years. This budget unit also incorporates the program that funds childcare for families in which the child is under the auspices of the Department of Children's Services and is at risk of parent abuse or neglect. Childcare provider payments are 100% federal and state funded through reimbursements by the state. Childcare provider payments are 100% federal and state funded.

There is no staffing associated with this budget unit. Staff that provide these services are budgeted in the Human Services Administration budget unit.

BUDGET HISTORY



PERFORMANCE HISTORY

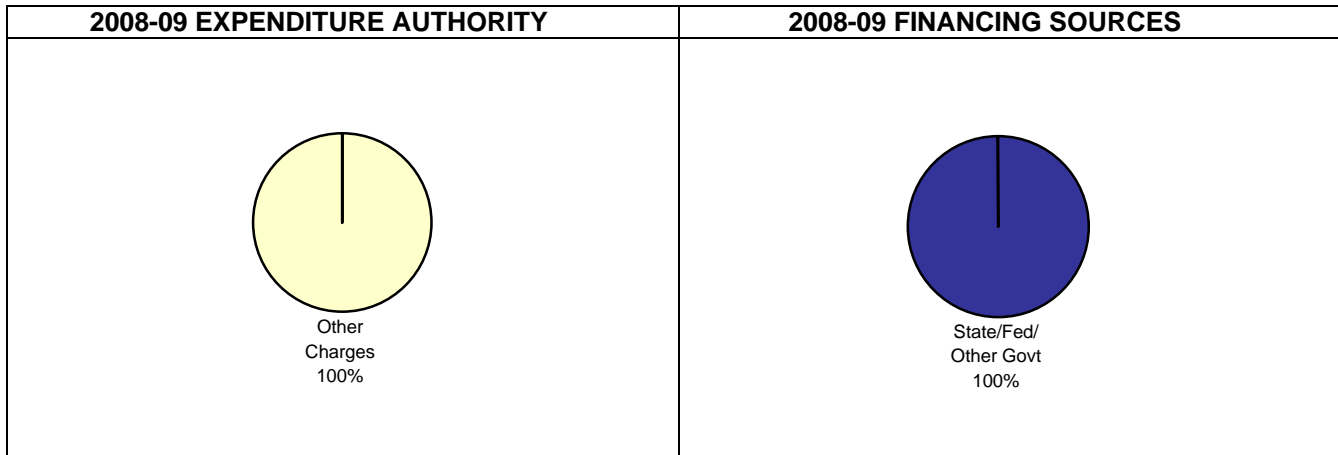
	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Estimate
Appropriation	81,065,438	79,183,003	75,310,636	85,905,228	77,623,486
Departmental Revenue	81,063,581	79,182,742	75,311,168	85,905,228	77,623,486
Local Cost	1,857	261	(532)	-	-

Funding impacts to the childcare programs made as a result of the state's final budget have required the department to manage childcare caseload so as to remain within the expenditure limitations of the allocations received from the state. Historically, information regarding allocations is received from the state in the latter part of the first quarter of the new fiscal year.

Actual allocation/grants in 2007-08 were less than budgeted. In June 2007, the California Department of Education (CDE) released the allocations to the counties for Stages 2 and 3, and alternative payment programs. In July 2007, the department presented to the Board these 2007-08 allocations. In November 2007, the department received allocation augmentations from CDE of \$1,011,983 and \$291,724 for Stage 2 and the CalWORKs Alternative Payment Program (CAPP) respectively, which was presented to the Board on January 8, 2008.

Projected expenditures are under appropriation by \$8.3 million and less than actual allocations by \$2.0 million due to changes in legislation that decreased the allowable amount reimbursed to childcare providers and the timing-out of recipients who have reached their five (5) year limit for receiving aid.

ANALYSIS OF PROPOSED BUDGET



GROUP: Human Services
DEPARTMENT: Entitlement Payments (Childcare)
FUND: General

BUDGET UNIT: AAA ETP
FUNCTION: Public Assistance
ACTIVITY: Aid Programs

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Estimate	2007-08 Final Budget	2008-09 Proposed Budget	Change From 2007-08 Final Budget
Appropriation							
Other Charges	81,065,438	79,183,003	75,310,636	77,623,486	85,905,228	85,905,228	-
Total Appropriation	81,065,438	79,183,003	75,310,636	77,623,486	85,905,228	85,905,228	-
Departmental Revenue							
State, Fed or Gov't Aid	81,063,581	79,182,742	75,311,168	77,623,486	85,905,228	85,905,228	-
Total Revenue	81,063,581	79,182,742	75,311,168	77,623,486	85,905,228	85,905,228	-
Local Cost	1,857	261	(532)	-	-	-	-

Other charges of \$85.9 million represent payments to childcare providers.

In 2008-09, TAD may be transitioning Stage 2, Stage 3 and CAPP Childcare to County Schools and other agencies that have a more efficient funding relationship with California Department of Education (CDE).

Based on projections of the 2008-09 state budget, federally funded Stage 1 childcare is expected to increase by \$3.5 million or 8.5%. Due to the transition uncertainty of the CDE contracts, the department will maintain childcare appropriation at the current level.

